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S E C R E T SECTION 01 OF 03 BAGHDAD 000762

SIPDIS

DEPARTMENT FOR NEA/I, NEA/IR, AND S/SAGSWA NSC STAFF FOR OLLIVANT AND MAGSAMEN

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SUBJECT: IRANIANS RECEIVE WARY WELCOME IN IRAQ

REF: A. BAGHDAD 289

\_\_\_B. BAGHDAD 599

\_\_C. BAGHDAD 342

\_\_D. BAGHDAD 681

Classified By: Minister-Counselor for Political Military Affairs Michael Corbin for reasons 1.4 (b-d).

- 11. (S) Summary: Plane-loads of Iranian officials have arrived in Iraq recently to tout economic relations, take pilgrimages to religious shrines and confer with their Iraqi counterparts, some of whom welcome the diplomatic overtures while others are less than enthusiastic about associating with the unpopular Iranians. Although the visit of former President Rafsanjani sparked small protests and concern by some Iraqis about Iranian influence, our Iraqi contacts generally view the visits as part of an Iranian shift toward diplomacy and away from confrontation. However, Iran continues to nurture violent extremists opposed to the Iraqi government and U.S. forces. The recent flurry of diplomacy does not appear to represent a strategic rethinking of the Iranians' goal to increase their leverage in Iraq through any means necessary. End Summary.
- ¶2. (S) Former President Ali Akbar Hashemi Rafsanjani, currently serving as head of the influential expediency council, lead a 264-member delegation to Iraq March 2-6, meeting with senior officials including President Talabani and Grand Ayatolah Ali al-Sistani as well as visiting religious shrines in Karbala and Najaf. Rafsanjani's visit, his first since the Iranian revolution in 1979, followed the February visits of Foreign Minister Manuchehr Mottaki and Ali Akbar Velayati, a former foreign minister and current advisor to Supreme Leader Khamanei, as well as earlier exchanges of high-level visits dating to last year (ref A). Iraqi President Jalal Talabani had visited Iran days before the Rafsanjani visit, and he returned shortly afterward to participate in the Economic Cooperation Organization summit. Iran even served as an alternate landing site for the plane of Prime Minister Maliki, reportedly forced by sandstorms to divert to Iran from Baghdad on his way home from Australia on March 15.

Rafsanjani

13. (S) Opinion polling and anecdotal conversations at street level indicate that a wide range of Iraqis distrust Iran for reasons including Iranian support for violent militias in recent years, lingering hostility from the Iran-Iraq war in the 1980s, and historical animosity dating back millennia. Rafsanjani, whom many Iraqis remember as the speaker of the Iranian parliament during the Iran-Iraq war, was perhaps an odd choice to lead a goodwill tour. News of his visit was greeted by street demonstrations in Ramadi, calls for protests by a handful of tribal leaders in the south, and

reports that Iraqi officials from Vice President Tariq al-Hashemi to the most respected Shia religious leader, Grand Ayatollah Ali al-Sistani, would refuse to meet with him.

- 14. (S) However, Talabani gave Rafsanjani a warm welcome on arrival in Iraq, al-Hashemi soon explained the failure to meet as a scheduling problem, and Sistani ultimately did agree to see Rafsanjani while he was in Najaf. Although Rafsanjani later mentioned in a press conference that Sistani had declined his invitation to reciprocate by visiting Iran, the Rafsanjani visit generated little discord. In a meeting with the Charge following the visit, Maliki joked that Rafsanjani's delegation was just a large group of pilgrims visiting the holy sites (ref B). He said that while he had met with Rafsanjani, they had not discussed any substantive Omet with Rafsanjani, they had not discussed any substantive issues. Ammar al-Hakim of the Islamic Supreme Council of Iraq (ISCI) described the Rafsanjani visit to PMIN as an opportunity to exchange views and strengthen Iraq,s relations with its neighbors and the international community. Al-Hakim, who is considered close to Iran and expected to succeed his father as ISCI chairman, said Rafsanjani is a distinguished moderate with constructive contributions to make. (ISCI fared poorly in the January 31 provincial elections, in part because of its ties to Iran (ref C).)
- 15. (C) Other Iraqis viewed the visit less benignly. One low-level MFA official, an Iraqi Christian deeply suspicious of Iran, assured us that the Rafsanjani visit was to blame for recent al-Qaida-linked suicide bombings because Rafsanjani enflamed the Sunni extremists. Saad al-Muttalibi, a secular Shia who spent a decade in exile in Iran during the Saddam era, said that the Rafsanjani visit and other

BAGHDAD 00000762 002 OF 003

diplomatic overtures indicate that the Iranians recognize the Security Agreement provides them an opportunity to strengthen relations with Iraq. Despite their initial opposition to the agreement, he said, they now view it as positive because it stipulates that Iraqi soil will not be used to attack Iran and that U.S. forces will leave by the end of 2011. Former Prime Minister Iyad Allawi, whose secular nationalist political list showed renewed signs of life in the provincial elections, cautioned in a television interview following the Rafsanjani visit that Iran plans to fill the vacuum in Iraq following a U.S. withdrawal.

## Other Visits

- 16. (C) Mottaki and Velayati arrived in February with a 65-person delegation that divided into three parts to visit Kurdistan officials in the north, Talabani and other central government officials in Baghdad, and Sistani and the shrines in Najaf and Karbala. Talabani aides told us that Mottaki was interested in knowing whether the U.S.-Iranian relationship would change under President Obama. Talabani reportedly replied to Mottaki that he should not expect a dramatic change and that change would depend on Iran,s desire for a dialogue. Most of the Iranian delegation was composed of economic officials including representatives of the Iranian ministries of commerce, petroleum, and finance, and trade, as well as the central bank.
- 17. (C) Talabani made two return visits to Iran, the first a bilateral visit in late February and the second a multilateral visit in early March for the Economic Cooperation Organization summit. After his return, he said in a satellite television interview March 13 that while Iran had supported armed Iraqi groups in the past, "this was at a previous stage. In the current circumstances, Iran is helping us achieve security and stability." The following day, Iranian press reported that the Iranian and Iraqi interior ministers would discuss the establishment of a liaison office during an upcoming visit by Iraqi Interior

Minister Bolani, although a date for the visit was not specified. An Iraqi Ministry of Interior contact has since told us that Bolani has no immediate plans to visit Iran.

## Relationship problems

- 18. (U) Despite the warm outreach by Iranian officials and reciprocal gestures by at least some Iraqis -- all reported enthusiastically in the Iranian press -- all is not well in the bilateral relationship. In a rare public spat, Iraqi Foreign Minister Hoshyar Zebari told an Iraqi television station on March 10 that "we have very big problems" with Iran regarding demarcation of land and sea borders, most prominently the border along the Shatt al-Arab, Iraq's only shipping outlet. Iranian Ambassador to Baghdad Hasan Kazemi Qomi responded the next day that there are no border problems between the countries, adding that committees would soon start work to demarcate the borders.
- 19. (S) Maliki told the Charge that he wanted to raise the border issue with Iranian officials, as well as Iraq's need for normal water flow from Iran, but didn't raise them with Rafsanjani because he is not a member of the inner circle of the Iranian government.
- 110. (S) Among other friction points are the MNF-I detention of three officers of the Islamic Revolutionary Guard Corps-Quds Force (IRGC-QF) who were captured in a raid in Erbil in 2007. The Iranian press periodically announces that their release is imminent. The Iranians had sought to Qtheir release is imminent. The Iranians had sought to accredit two other IRGC-QF officers who fled Iraq shortly before the raid, but the Iraqi MFA denied their visas and recently accredited two other officials to serve as consuls general in Erbil and Sulaymaniyah.
- 111. (S) In addition, security incidents continue along the border. On March 17, Iraqi security forces reported that Iranian border guards fired mortars on two Iraqi border forts in Wasit province. The Iraqis fired warning shots in the air in response; no injuries or damage were reported. Earlier in March, Iraqi media reported that Iraqi security services arrested 16 smugglers and seized weapons and ammunition in a raid on islands southeast of Basra along the Iran-Iraq border. Other reports indicate that the Iranian government continues to train and equip Iraqi militants opposed to the Iraqi government for attacks on coalition forces in Iraq.

BAGHDAD 00000762 003 OF 003

And on February 25, U.S. forces shot down an Iranian Unmanned Aerial Vehicle (UAV) inside Iraqi airspace. Maliki told the Embassy he would formally complain about the violation of airspace to the Iranian government.

112. (S) Another thorn in the relationship is the presence at Camp Ashraf of the Iranian opposition group Mujahedin e-Khalq (MEK), which Iraq and Iran (as well as the USG) consider a terrorist group. Iranian media had repeatedly broadcast pledges by Iraqi officials to close the camp immediately after the GoI assumed responsibility for its security on January 1. The GOI has so far resisted Iranian pressure to summarily close the camp, although tensions with residents are increasing (ref D).

Comment

113. (S) The Iranians appear to recognize that the accumulation of these grievances, accompanied by street-level animosity, have left them with much work to do in repairing their position in Iraq. But even though they are at present back on their heels, they are not on the ropes. They continue to approach their relationship with Iraq with

strategic confidence, emphasizing in public a diplomatic and economic outreach while reports indicate they continue to nurture violent extremists and attempt to influence the political process through bribes and intimidation. We do not know whether their recent charm offensive will be more effective than their misguided support for violent extremists, but we do know that they will continue using any means necessary to build on their influence in Iraq. BUTENIS